



News from

Congressman Ron Kind

REPRESENTING WISCONSIN'S THIRD
CONGRESSIONAL DISTRICT

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Cronkite Video Offers Honest Look at Medicare Rx Benefit

Coverage gap, rising drug costs and endangered benefits top the list of concerns

La Crosse/Eau Claire, WI – Today U.S. Rep. Ron Kind and special guests Max Richtman, Executive Vice President of the National Committee to Preserve Social Security and Medicare, and Tom Frazier, Executive Director of the Coalition of Wisconsin Aging Groups, met with local seniors in La Crosse and Eau Claire to discuss the new Medicare prescription drug plan. Wisconsin Commissioner of Insurance, Jorge Gomez joined for the Eau Claire meeting.

“Far too many seniors are forced to split pills or decide between doctor-ordered medications and other necessities,” said Kind. “Last year, Congress had an opportunity to address this crisis in a bipartisan fashion and provide a meaningful prescription drug benefit. Unfortunately, the bill that the President signed into law contains fundamental flaws that will end up costing seniors more.”

“Many supporters of this bill have spoken about choices for seniors, but a close examination reveals that the devil is in the details,” Kind continued. “The plan lacks basic cost control measures that would address skyrocketing drug costs and prohibits the reimportation of cheaper drugs from Canada. And if seniors do not join in the beginning, premiums increase each year they do not enroll.”

The new law also jeopardizes existing drug benefits, causing an estimated 58,170 Wisconsin retirees to lose coverage and has a huge \$2,800 gap in coverage called the ‘donut hole’ that is expected to grow every year. When seniors reach \$2,250 in expenses they are responsible for all drug costs until they have spent \$5,100, during which time they must continue paying premiums.

Kind also played a video featuring former news anchor Walter Cronkite in which he discusses the new law. The video was produced by Families USA, a non-profit, non-partisan organization focused on providing high-quality, affordable health care for all Americans.

“As each year passes, the donut hole will get bigger and bigger,” said Walter Cronkite in the video. “The Congressional Budget Office projects how seniors’ out-of-pocket costs will grow from year to year. For example, seven years after the program starts, the donut hole, which represents the gap in coverage of \$2,850, will grow to \$5,066 and other costs paid by seniors also will increase.”

“Seniors have waited far too long for a meaningful and affordable drug benefit that relieves them of out-of-pocket costs so they can enjoy a high quality of life during their golden years. Governor Doyle has extended a great service to seniors by providing information on cheaper drugs through the online prescription drug resource center. I will continue to fight for a prescription drug plan that has affordable premiums and a reasonable deductible, lowers the cost of prescription drugs, and is guaranteed and available to all seniors within the Medicare program,” concluded Rep Kind.